



**CENTERIOR  
ENERGY**

6200 Oak Tree Boulevard  
Independence OH  
216-447-3100

Mail Address  
P.O. Box 94661  
Cleveland, OH 44101-4661

March 27, 1996

The Public Utilities Commission  
of Ohio

ATTN: Docketing Division  
180 East Broad Street  
Columbus, Ohio 43266-0573

SUBJECT: Case No. 96-*307* -EL-AEC  
Weyerhaeuser Corp.

**RECEIVED**

**MAR 28 1996**

**DOCKETING DIVISION  
Public Utilities Commission of Ohio**

Dear Sirs:

Enclosed please find an original and twenty (20) copies of an Application of Cleveland Electric Illuminating Company for approval of an Application for Weyerhaeuser Corp.

Please date stamp five (5) copies and return to the following:

Dawn R. Young  
Rates & Contracts, I-442  
Centerior Service Company  
6200 Oak Tree Blvd.  
Independence, Ohio 44131

Please forward any interrogatories to Cassie Stopar.

Sincerely,

John P. Wack  
Manager  
Rates & Contracts

JPW:dry

Enclosures

cc: R. B. Fortney

RECEIVED

MAR 28 1996

DOCKETING DIVISION  
Public Utilities Commission of Ohio

BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of )  
The Cleveland Electric Illuminating )  
Company for Approval of the Electric )  
Service Agreement with Weyerhaeuser )  
Corporation )

Case No. 96-307-EL-AEC

**APPLICATION**

The Cleveland Electric Illuminating Company, hereinafter referred to as the "Company", the Applicant herein, respectfully seeks PUCO approval of an Electric Service Agreement, hereinafter referred to as the "Agreement", between the Company and Weyerhaeuser Corporation, hereinafter referred to as the "Customer".

The Agreement, as set forth in and attached hereto, will provide for special arrangements not otherwise provided by the Company's rate schedules and riders applicable to the Customer at the time service is provided.

The Company desires to provide incentives that will encourage production, expansion and new employment in Northeast Ohio.

The Customer will receive a 25% discount to Non-Fuel Revenue associated with monthly usage above a reference level.

The Customer agrees that the Company will be its sole supplier of electricity.

The Agreement shall commence with the bill rendered for the month of April 1996 and shall continue thereon for five (5) years.

WHEREFORE, the Company prays that the Commission issue its Order herein approving said Agreement and permit said Agreement be filed and made effective as of its effective date.

The Cleveland Electric Illuminating Company

By: *Thomas H. Linn*

Title: Vice President

By: *Donna L. Linn*

Title: Treasurer

Attorney for the Applicant: Mark R. Kempic

## **ELECTRIC SERVICE AGREEMENT**

This Agreement made and entered into as of the 12<sup>TH</sup> day of MARCH, 1996, by and between The Cleveland Electric Illuminating Company, hereinafter called the "Company", and Weyerhaeuser Co., hereinafter called the "Customer".

### **WITNESSETH**

WHEREAS, the Customer receives electric service from the Company at its facility located at 2112 W. 110th Street, Cleveland, Ohio with Company Account No. 196-0000155-012, hereinafter known as the "Facility"; and,

WHEREAS, the Company desires to provide incentives that will make the Facility more competitive, thereby encouraging expansion and increased employment in Northeast Ohio; and,

WHEREAS, the Customer desires to enter into an agreement which will provide such incentives to make the Facility more competitive.

NOW, THEREFORE, in consideration of the promises, the parties hereto agree with each other as described in the following sections:

1. **Electric Service.** The Company shall render electric service to the Facility under the provisions of the General Rules and Regulations, including Paragraph 7 thereto, of PUCO No. 12, Electric Service, and under the rates, charges, riders, including Rider No. 1, terms and conditions of those schedules of PUCO No. 12, Electric Service, deemed appropriate by the Company, as may be amended or superseded from time to time with the approval of the Public Utilities Commission of Ohio (PUCO), and that are in effect at the time of service being rendered. Electric service rendered shall be charged and billed separately unless otherwise provided for by the appropriate schedules. The Customer agrees to accept and pay for such service as provided for herein, subject to the incentive provided for by Section 2.

2. **Incentive.** The Customer shall receive the incentive fully described in Appendix A to this Agreement, which is incorporated herein by reference. Such incentive shall apply during the term of this Agreement stated in Section 7 herein.

3. **Sole Electric Power Requirement.** The Customer agrees to have the Company as the sole supplier of all electric power to the Facility, and the Company agrees to supply all of the electric power to the Facility.

4. **Assignment.** The Customer agrees that this Agreement shall be assigned or otherwise transferred to another, including a successor owner or occupant of the Facility, with the written consent of the Company. The benefits and obligations of the Company may be assigned by the Company to any successor in interest without Customer approval.

5. Notices. Any notice required to be given hereunder or desired by either party to be given shall be deemed effective when mailed by first class mail, postage prepaid, if to the Customer at:

2110 W. 110<sup>TH</sup> STREET  
CLEVELAND OH 44102-3589  
ATTN: ADMINISTRATIVE MANAGER

and, if to the Company, at:

Director - Industrial Sales  
Cleveland Electric Illuminating Company  
P.O. Box 5000  
Cleveland, Ohio 44101

6. Rebiling Provision. In the event that the Company should no longer be the sole supplier of all electric power to the Facility during the term of this Agreement, which will be construed as a breach of, and has the effect of canceling this Agreement, the Company may bill the Customer for the amount of the incentive already received under the Agreement. Such incentive is described in the Appendix to this Agreement. The Customer shall pay such bill within thirty (30) days after the date of the receipt of the bill by the Customer, and if the bill remains unpaid, interest at the rate of 1.5% per month shall be charged and paid. Notwithstanding the foregoing, this cancellation and rebiling provision is a remedy optional to the Company for the Customer's breach and not the exclusive remedy available to the Company. The Company may elect to forego its cancellation and rebiling remedy in favor of pursuing all other remedies available to it for the Customer's breach, including specific performance, consequential and incidental damages.

7. Term and Effective Date. This Agreement shall be effective beginning with the electric bill rendered for the month of APRIL 1996 and shall continue for five (5) years thereafter. This Agreement shall terminate with the electric bill rendered for the month of MARCH 2001. Upon termination of this Agreement, the Customer will be served under the appropriate Company rates on file with the PUCO, without the incentive applying.

8. Force Majeure. If because of Force Majeure, either party shall be unable to carry out any of its obligations under this Agreement or fully to deliver or utilize the electric service of the Company contemplated herein, then the obligations of that party shall be suspended to the extent made necessary by Force Majeure. The party affected by Force Majeure shall give notice to the other party as promptly as practical of the nature and probable duration of such Force Majeure. "Force Majeure" shall mean acts of God, riots, strikes, labor disputes, labor or material shortages, fires, explosions, floods, breakdown of or damage to plants, equipment or facilities, or other causes of similar nature which are beyond the reasonable control of the party and which wholly or partially

prevent the supplying of electricity by the Company or the receiving or utilization of such electricity by the Customer, provided that the effect of such Force Majeure shall be eliminated insofar as possible with all reasonable dispatch; provided further, that performance by the parties hereunder shall be excused only to the extent made necessary by the Force Majeure condition; provided further, that neither party shall be required to settle a labor dispute on terms unacceptable to the party affected; and provided further, that neither party shall be required to rebuild all or a major portion of its facilities which are destroyed or substantially impaired by a Force Majeure condition.

9. Confidentiality of Information. All information provided in, or in connection with, this Agreement, whether printed, written or oral, shall be held in confidence and used only for the business purpose for which it was provided, except to the extent made public by the PUCO.

10. Governing Law. The validity, construction and performance of this Agreement shall be determined in accordance with the laws of the State of Ohio.

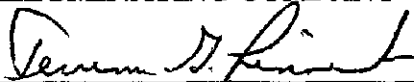
11. Clause Heading. The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit or extend the scope or intent of the clauses to which they pertain.

12. Entire Agreement. This Agreement, together with the Appendix thereto, contains the entire agreement between the parties and there are not representations, understandings or agreements, oral or written, which are not included herein. This Agreement cannot be changed except by written instrument executed by duly authorized representatives of the parties.


13. Governmental Approvals. This Agreement is subject to all applicable rules and regulations, and all necessary approvals or authorizations, of any governmental authority. The Company will use its best efforts to secure any necessary approval of this Agreement by the PUCO with the assistance and cooperation of the Customer. The Company and the Customer shall also use their best efforts to secure any other approvals or authorizations from any other governmental authorities, which approvals or authorizations may be necessary at any time during the continuance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

THE CLEVELAND ELECTRIC  
ILLUMINATING COMPANY

By:   
Title: Vice President

WEYERHAEUSER CO.

By: , C.P.M.  
Title: DIRECTOR OF PURCHASING

**APPENDIX A**  
**To The Electric Service Agreement between**  
**The Cleveland Electric Illuminating Company**  
**and Weyerhaeuser Co.**  
dated MARCH 12, 1996

**Definitions.** This Agreement shall be subject to the definitions contained in this paragraph.

- (a) **Industrial Schedule.** This term shall mean the rates, terms and conditions of the Industrial Schedule contained in PUCO No. 12 and the applicable riders thereto filed with the PUCO as they may be amended or revised.
- (b) **Non-Fuel Revenue Portion of the Industrial Schedule.** This term shall mean the Customer's total monthly bill as computed on the Industrial Schedule excluding the Electric Fuel Component, and the Interim Emergency and Temporary Recovery of Percentage of Income Payment Plan Arrearages.
- (c) **Monthly Reference Level.** This term shall mean a monthly electric usage 300 kWd and 275,000 kWh.

Beginning with the effective date of this Agreement, the Company shall apply a 25% discount to the Non-Fuel Revenue Portion of the Industrial Schedule associated with monthly usage above the Monthly Reference Level.